



Alabama Prepaid College Tuition Program Faces Trouble

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Some state college tuition programs are closing applications and Alabama's program is in trouble. The Prepaid Alabama College Tuition Program, or PACT, lost almost one half of its value in the past year. It's money that parents contributed for their children's education. Nearly fifty thousand families received notice of the problems with the pact program with a letter in the mail.

Dr. Gregory Fitch, the Executive Director of Alabama's Commission on Higher Education says it is a

problem that has come from three different reasons. The first and most importantly the stock market, two, the increasing costs of higher education, and three, all the children enrolled when the program started are of college age today.

A triple whammy against the PACT. Many parents are changing their minds on their second child.

Kelton Morris has a PACT for her six year old Thomas, but her and her husband have held off on getting one for their two year old daughter Fran. .

Morris says, "Maybe one day but today we are not at that point."

But Dr. Gregory Fitch says, they're trying to get answers.

However, after conversing with college presidents, the governor's office, the treasury staff, and pact board.

Fitch says, "They're still looking at the best avenue to approach this nationally trying to pull people together and we are a part of that economy."

Continually dealing with the issue, but for those worried parents Fitch says, "I wish I could give them some magic quotation but I cannot I would tell them to be patient."

If you are concerned about the PACT, they will have weekly updates available every Friday at 2 PM at www.800alapact.com.